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FISCAL IMPACT STATEMENT

LS 6097

BILL NUMBER: SB 37

NOTE PREPARED: Oct 12, 2010

BILL AMENDED:

SUBJECT: Indiana State Dairy Association License Plates.

FIRST AUTHOR: Sen. Landske

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill establishes the Indiana State Dairy Association Trust License Plate and the Indiana State Dairy Association Trust Fund. It specifies that \$25 from the proceeds of the sale of an Indiana State Dairy Association Trust License Plate shall be distributed to the Indiana State Dairy Association, Inc.

Effective Date: July 1, 2011.

Explanation of State Expenditures: PEN PRODUCTS, the manufacturing arm of prison-made products, will charge the Bureau of Motor Vehicles (BMV) \$3.69 per plate. The funds affected are the PEN PRODUCTS Revolving Fund and the Motor Vehicle Highway Account (MVHA), which supports the BMV.

Explanation of State Revenues: Summary: The proposal establishes a \$25 annual fee for the Indiana State Dairy Association Trust License Plate. The money from the sale of the plate is to be deposited in the Indiana State Dairy Association Trust Fund. In addition, there is a \$15 administrative fee to be paid by the purchaser.

Money in the Trust Fund is continuously appropriated. The Commissioner of the BMV is to administer the fund. And expenses of administering the fund are to be paid from the fund. On June 30 of each year, the Commissioner of the BMV is to distribute money in the fund to the Indiana State Dairy Association, Inc. Money at the end of the state fiscal year does not revert to the state General Fund.

It is not known how much revenue will be generated by the new license plate. However, for the last three calendar years, the highest selling specialty plate averaged about 53,700 plates, while the lowest selling specialty plate averaged about 67 plates. Based on these data, it is likely that the new plate will fall somewhere within that range. Revenue from the \$25 fee would range between \$1,675 and \$1,342,500

Revenue from the \$15 administrative fee is split between three funds: (1) the Motor Vehicle Highway Account; (2) the Crossroads 2000; and (3) the Bureau of Motor Vehicles Commission (BMVC). The table below shows the minimum and maximum revenue for the affected funds based on the above plate sales.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: BMV; Department of Correction (PEN PRODUCTS).

Local Agencies Affected: Those units which receive distributions from the MVHA.

Information Sources: Mark W. Spratt, Controller, PEN Products, 2010 East New York Street, Indianapolis, IN 46201, (317) 955-6800.

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